

UPDATED INFORMATIVE DIGEST

Amendments to the California Cleaner-Burning Gasoline Regulations

Sections Affected: Amendments to sections 2260 to 2262.7 of title 13, California Code of Regulations (CCR).

Background

The California Phase 2 reformulated gasoline (CaRFG) regulations were adopted by the California Air Resources Board (the Board or ARB) following a hearing in November 1991 and became applicable in the spring of 1996. The regulations establish a comprehensive set of standards for gasoline designed to achieve the maximum reductions in emissions of criteria pollutants and toxic air contaminants from gasoline-powered motor vehicles. The standards cover sulfur, benzene, olefin, oxygen, and aromatic hydrocarbon contents, the 50-percent and 90-percent distillation temperatures (T50 and T90), and Reid vapor pressure (RVP).

The CaRFG standards include “cap” limits that apply to finished gasoline throughout the California gasoline distribution system. The standards also include more stringent limits that apply to gasoline when it is first supplied from a production facility (typically a refinery) or an import facility; these will be referred to as the “refiner” limits. The standards are as follows:

Property	Averaging Limit	Flat Limit	Cap
T50	200°F	210°F	220°F
T90	290°F (DAL not to exceed 310°F)	300°F	330°F
Olefins	4.0%	6.0%	10.0%
Aromatics	22.0%	25.0%	30.0%
Sulfur	30 ppm	40 ppm	80 ppm
Benzene	0.80%	1.00%	1.20%
Oxygen	None	1.8 wt.% min. to 2.2 wt.% max.	2.7 wt% max.
RVP	None	7.00 psi	7.00 psi

Except in the case of RVP and oxygen content, the regulations provide two compliance options for meeting the limits applicable to gasoline being supplied from a production or import facility.

One option is to have the gasoline subject to a “flat limit,” which must be met by every gallon of gasoline leaving the production or import facility. The other option is to elect an “averaging limit.” The averaging limits established in the regulations for each of the six properties are more stringent than the comparable flat limits. Under the averaging option, the producer may assign differing “designated alternative limits” (DALs) to different batches of gasoline being supplied from the production or import facility. Each batch of gasoline must meet the DAL for the batch. A producer or importer supplying a batch of gasoline with a DAL above the averaging limit must, within 90 days before or after, supply (from the same facility) sufficient quantities of gasoline subject to more stringent DALs to fully offset the excess over the averaging limit.

The CaRFG regulations also contain a compliance mechanism under which a producer or importer may use the “California Predictive Model” to identify alternative flat and averaging limits applicable when gasoline is supplied from the production or import facility. The Predictive Model provisions, which were adopted in 1994, consist of mathematical equations which estimate the changes in exhaust emissions of hydrocarbons, oxides of nitrogen (NO_x), and four toxic air contaminants that result from different gasoline formulations. The four toxic air contaminants are benzene, 1,3-butadiene, acetaldehyde, and formaldehyde. An alternative gasoline formulation is acceptable if the percent change in emissions is less than or equal to 0.04 percent for hydrocarbons, oxides of nitrogen, and the potency-weighted sum of the toxic air contaminants. No alternative limit may exceed the cap limit for the property.

The standards for oxygen content are administered differently from the rest of the standards. In most cases, CaRFG-compliant gasoline must have an oxygen content between 1.8 weight percent and 2.2 weight percent. However, producers and importers may use the Predictive Model mechanism — or an analogous mechanism in which alternative gasoline formulations are certified based on a vehicle test program — to establish a maximum oxygen content limit as high as 2.7 weight percent. Except in the winter, gasoline formulations meeting the Predictive Model or vehicle testing criteria are allowed to have less oxygen than 1.8 weight percent, including zero oxygen. Alternative formulations with oxygen contents below 1.8 weight percent are not allowable during specified winter oxygen control periods. This was done because the 1990 amendments to the federal Clean Air Act required that the State Implementation Plans (SIPs) for all CO nonattainment areas include a minimum oxygen requirement in the winter months when CO concentrations are the highest (FCAA §211(m)), and California contained eight CO nonattainment areas (along with two unclassified areas). The wintertime oxygen requirements are part of the California SIP, along with the rest of the CaRFG regulations.

The ARB staff has estimated emission reductions from on-road vehicles of 17 percent of hydrocarbons, 11 percent of NO_x, 11 percent of CO, and 40 percent of potency-weighted toxic emissions for gasoline that exactly complies with the averaging limits. Because actual gasolines are generally somewhat “cleaner” and because they provide unquantified emission benefits such as reducing combustion-chamber deposits, actual emission reductions are believed to be greater.

The Amendments

At an August 27, 1998 hearing, the Board considered proposed amendments that would:

1. Increase the “cap” limit for oxygen from 2.7 to 3.5 percent by weight.
2. Rescind in most areas the requirement for at least 1.8 percent oxygen, by weight, in gasoline used in the winter. Ultimately, the requirement would be retained only in the counties of Los Angeles, Orange, Riverside, and Ventura, in compliance with federal law, and in Imperial County, where the state and federal air quality standards for CO continue to be violated. Also, it would be retained through January 31, 2000, in Fresno and Madera Counties, and the Lake Tahoe Air Basin, to ensure maintenance of the state standard for CO.
3. Make the following minor technical changes:
 - Correct drafting errors in the existing provisions on averaging.
 - For purposes of compliance with the March RVP phase-in period, make the application of the RVP limit to gasoline shipped from northern refineries to southern marine terminals uniform with its application to gasoline imported from out-of-state.
 - Exempt gasoline used to fuel racing vehicles from the CaRFG standards.

After considering testimony at the August 27, 1998 hearing, the Board acted to adopt all of the proposed amendments except for the change in the cap limit for oxygen from 2.7 to 3.5 wt.% in section 2262.5(b) (and a conforming change to the “California Procedures for Evaluating Alternative Specifications for Phase 2 Reformulated Gasoline Using the California Predictive Model,” incorporated by reference in section 2265(a)(2)). The hearing considering the amendment raising the oxygen content cap was continued to the Air Resources Board’s December 10, 1998 meeting.

Comparable Federal Regulations.

The 1990 amendments to the federal Clean Air Act (FCAA) require U. S. Environmental Protection Agency (U.S. EPA) to adopt regulations regarding reformulated gasoline. (FCAA §211(k).) U.S. EPA has adopted these regulations as 40 C.F.R. §§80.40 to 80.82. In California, they apply in San Diego County, the greater Los Angeles Area (Los Angeles, Orange and Ventura counties, and parts of Riverside and San Bernardino counties), and the greater Sacramento area (Sacramento County and parts of Yolo, Solano, Sutter, Placer, and El Dorado counties).

The FCAA provides that the federal regulations must require no NO_x increase, a minimum 2.0 percent by weight oxygen content (with certain exceptions), a maximum 1.0 percent by volume benzene content, and limits on heavy metals. The federal regulations must also specify performance standards for hydrocarbons in the high ozone period and toxic compounds year-round in two phases--the first starting in 1995 and the second starting in 2000. The U.S. EPA regulations identify a "complex model" that must now be used in complying with the requirements.

While the federal RFG standards apply in the federal RFG areas in California, the ARB has worked with U.S. EPA and gasoline producers to avoid unnecessary duplication of the enforcement requirements. In 40 C.F.R. §80.81, U.S. EPA has exempted California producers from many of the federal enforcement requirements from March 1, 1996, to January 1, 2000, as long as certain criteria are met.